

# STATE SENATOR PATRICIA MILLER

Indiana State Senate  
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## 2004 Post-Session Newsletter

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# Saving ICHIA

## A new law to help people with existing health conditions

People who suffer from a myriad of chronic diseases including diabetes, cancer, hemophilia, HIV/AIDS, and kidney failure are unable to get health insurance. Survival depends entirely on access to treatments like insulin and chemotherapy. These people possess the means to pay for health insurance; however, their pre-existing conditions make them ineligible for most policies.

In 1981, the legislature created the Indiana Comprehensive Health Insurance Association (ICHIA) in order to help those individuals — who cannot receive health insurance coverage in the commercial health care market due to their health status — to buy health insurance.

Like a typical insurance policy, participants pay premiums in order to help finance the program; however, unlike typical patients, members of the high risk pool's expenses often exceed the amount paid in

premiums. To help cover the losses incurred, the state calculates the net loss. The state then uses a formula based on a variety of factors to recover the loss among more than 200 member insurance companies.

Recently, the program became financially strained. Leaders from the insurance industry and legislators collaborated on the problem and formulated a new funding mechanism.

The bill, which I sponsored, restructures the program's funding mechanism to ensure long-term solvency. This plan will provide adequate funding for the program but will not require additional state spending.

ICHIA provides a valuable health care insurance option. This measure ensures ICHIA remains a choice for those with limited options.

## Medicare BEWARE New scam targets senior citizens

Senior citizens should be alert and aware of identity theft schemes that are intended to defraud the Medicare program. Although this program is run by the federal government, state legislators have been alerted to a scam that could carry a devastating cost.

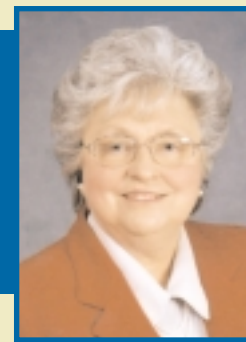
There have been reports in Indiana, Nebraska, Oklahoma and Georgia of individuals going door-to-door to sign up senior citizens for the Medicare Prescription Drug Cards or to sell them Medigap insurance in exchange for their Medicare numbers.

### **MEDICARE DOES NOT GO DOOR-TO-DOOR.**

Seniors can protect themselves by doing the following:

- Never give your Medicare, Medicaid, or Social Security number to anyone who comes to your door.
- Never give these numbers to anyone who promises "free services."
- Hang up on telemarketers who ask for any of these numbers or for your bank account number.

Call, toll-free, 1-800-986-3505 to report suspected Medicare fraud and abuse. All suspected fraud and abuse case information is confidential.



# State Senator Patricia Miller

Serving District 32 — Marion and Johnson Counties



## Property Taxes Remain Priority

The Indiana General Assembly started the 2004 legislative session earlier than usual to address property tax issues. Ordinarily, the legislature convenes for one day on the third Tuesday in November, called Organization Day, in order to meet and do general "housekeeping" business. This session, legislators conducted committee meetings and held session in November and December to attempt to ease the property tax burden.

Due to the court-ordered property tax reassessment, some problems have surfaced in a few counties around the state, including Marion County. During several weeks in the fall, members of the Senate Finance Committee, myself included, met around the state to gather information and evaluate the impact of property taxes. The results of the property tax survey taken at those meetings can be found on my website at [www.in.gov/S32](http://www.in.gov/S32). Senate Enrolled Act 1 included many of the good ideas citizens offered at these meetings.

One of the most important provisions of that bill limits future property tax increases through strict controls on local government spending. Property taxes go to fund local units of government, cities, towns, counties, townships, libraries and schools. Property taxes also fund local building projects.

In 2002, legislators tried to anticipate the effects of reassessment and passed a bill that shifted some of the tax burden to sales and gambling taxes in order to generate an additional \$1.3 billion in tax relief for property owners. A total of \$3.7 billion went to property tax relief; however, the legislature did not anticipate the increases in local govern-



Senator Miller presents her bill to form a Property Tax Replacement Commission. The bill, SB 264, was amended into HEA 1365 in the final hours of session.

ment budgets that counteracted much of the property tax relief.

The property tax issue continued when the session reconvened in January. House Enrolled Act 1001 was enacted to clarify and update language passed during the mini-session.

The General Assembly also took steps to investigate new ways to fund local government. The proposal I authored to create the Property Tax Replacement Commission passed. The newly formed commission consisting of legislators, farmers, businessmen, and homeowners will study the options in reducing or eliminating property taxes in the state of Indiana. The committee will meet throughout the summer and fall, receive input from taxpayers across the state, and make a recommendation by December. Unfortunately, my bill to cap government spending died.

We want to continue to do what's right for Hoosier taxpayers.

### What Senate Enrolled Act 1 Includes:

- Allows counties to waive penalties assessed for late payment of property taxes
- Allows taxpayers to pay their property taxes in installments
- Requires approval from elected officials of significant property tax increases by non-elected boards, such as libraries
- Streamlines the property tax appeal process to make it easier for taxpayers
- Requires assessors to use most favorable assessment method for rental properties
- Repeals local governments' ability to raise and spend excess levies and requires any excess funds to be used to reduce future levies

## 2004 Facts & Figures

The Second Regular Session of the 113th General Assembly began on Organization Day, November 18, 2003, and adjourned March 4, 2004.

This non-budget year is known as the "short" session.

Senate bills introduced: 503  
Senate joint resolutions introduced: 10

Senate bills passed: 18  
Senate joint resolutions passed: 0

Approximate number of Senate bills that died on the House calendar: 91

House bills introduced: 459  
House joint resolutions introduced: 7

House bills passed: 80  
House joint resolutions passed: 0

A joint resolution amends the constitution.

Percentage of introduced House and Senate bills that were sent to the governor: 10%

For more information about the General Assembly's 2004 session, visit us online at: [www.in.gov/legislative](http://www.in.gov/legislative)

Visit my site at: [www.in.gov/S32](http://www.in.gov/S32)

Call me at:  
(317) 232-9400  
or 1-800-382-9467



Protecting Our Children

Child protection received considerable attention during the recent 2004 session. Several provisions passed this year that will help Indiana reduce the problem of child abuse, neglect and molestation.

Recent cases where an innocent child has died, such as the Anthony Bars case in Indianapolis and several child protective services mishaps across the state, prompted this push to improve services for children.

One of these bills sets up more safeguards for children placed through child protective services, including more extensive background checks for temporary homes. Anthony Bars was an Indianapolis child who was placed with a family member who had a history of abuse. Anthony's caseworker had not done a criminal background check, and the child tragically was killed as a result.

Another bill defines a "child in need of services" as a child who lives in the same home as a sexually abused child and lives with an adult who is a sex offender. If one child in a household is abused, statistics show that another child in that house has an 80 percent chance of being abused.

Another provision sets up a fatality review team to investigate unexpected deaths of children. Additionally, the bill requires the state to publicly disclose information relevant to the death of a child because of abuse, abandonment or neglect. It also made modifications to the Adoption and Safe Family Act, which substantially reformed our child protection and adoption law.

Overall, the number of deaths related to child abuse is down in Indiana. The number dropped from 69 in 2002 to 51 in 2003. One child's death, though, is too many. The General Assembly will continue to work to give agencies the tools and guidelines they need to protect Indiana's children.

HOUSE ENROLLED ACT 1265 — Establishes a program pooling state employees to negotiate lower prices for bulk purchases of prescription drugs. Applies to schools, state colleges and universities, and cities and towns. PASSED. My vote: YES

Guarding Liberty: Legislature Defends Gun Owners' Rights

The Indiana Constitution grants us the freedom to own firearms and store them in our homes.

Last April, the Indiana Supreme Court ordered gun owners to store their guns properly in their own homes or face possible lawsuits. We in the Senate want to protect gun owners who are law-abiding citizens. I supported a bill to prevent gun owners from being sued if their guns were stolen and used to commit a crime.

This bill does not protect those individuals who engage in criminal acts. The protection afforded in the legislation is the same as if someone were to

steal your car and injure someone with it. The driver, not the owner of the car, maintains liability.

This provision attempts to restore social responsibility and place blame where it belongs — on the offender, not on the law-abiding citizen.

The act also limits the ability of Indiana's prison inmates to file frivolous lawsuits. Some offenders file lawsuits repeatedly, and this bill allows a judge to dismiss them if they have no merit. These suits tie up the local courts and make it difficult to conduct legitimate court business.

"The people shall have a right to bear arms, for the defense of themselves and the State." Article 1, Section 32 Indiana Constitution

Legislative Summary

Changes in Tax Policy

- Requires the Indiana Department of Revenue to publish on the Internet the names and addresses of delinquent taxpayers who have owed more than \$1,000 in taxes and penalties for more than 24 months
- Repeals Indiana's sales tax on free hotel rooms
- Exempts itemized installation fees from Indiana's sales tax
- Gives retired members of the Public Employee Retirement Fund a 2 percent cost-of-living increase and gives members of the Teachers' Retirement Fund a 1 to 3 percent cost-of-living increase

Constitutional Amendments

- Establishes ballot wording for three proposed

amendments to the Indiana Constitution

- 1) Allows a change to the requirement that all property be taxed the same
- 2) Establishes a uniform starting date for terms of county officials
- 3) Outlines the transfer of power when the offices of the governor and lieutenant governor are vacant

These provisions will be on the ballot in the November 2004 election.

No Pay Raises Approved

No pay raises for legislators, elected officials or judges passed. I did not support a pay raise, and I did not support legislation forming a new commission charged with formulating a plan for increased salaries. The commission passed without my support.

HOUSE ENROLLED ACT 1082 — Requires an additional review of entries in the Missing Children Clearinghouse. An investigation of the list revealed numerous inaccuracies prompting the creation of an new review procedure. PASSED. My vote: YES

WORKING - for - JOBS

In 2003, the Senate passed legislation with significant economic development measures, dubbed the JOBS plan. We are constantly trying to improve our business climate here in Indiana to help more Hoosiers find jobs.

The Senate has continued to seek new ways to foster a more competitive atmosphere for businesses in Indiana.

One bill that passed the Senate this session should provide some new momentum for economic development efforts. It is a combination of several proposals that focus on expanding small business investment, improving research and development and encouraging growth around the state.

Economic Development Provisions

- Makes several research and investment tax credits permanent  
Economic Importance: Businesses will have confidence to invest in creating innovative new products, knowing the credits are stable.
- Adds the Emerging Technology Grant Fund to the 21st Century Research and Technology Fund  
Economic Importance: The State Fund will match federal grants for small-sized technology-based businesses to accelerate the commercialization of new discoveries in life sciences, information technology, advanced manufacturing, or logistics industries.
- Gives tax incentives to businesses who locate new or expanded operations on closed military bases  
Economic Importance: Incentives given to businesses on Grissom

A SNAPSHOT of the Budget

	Dollars (millions)	Percent of Total
Property Tax Relief	\$ 3,746.1	33.2 %
K-12 Education	\$ 2,650.2	23.5 %
Higher Education	\$ 1,489.7	13.2 %
Medicaid	\$ 1,266.4	11.2 %
FSSA, Public Health	\$ 767.5	6.8 %
Corrections	\$ 589.3	5.2 %
General Government	\$ 312.0	2.8 %
Capital	\$ 190.8	1.7 %
Public Safety	\$ 106.0	0.9 %
Conservation & Environment	\$ 78.4	0.7 %
Transportation & Economic Development	\$ 52.9	0.5 %
General Assembly & Legislative Services	\$ 31.5	0.3 %
TOTAL	\$11,280.8	100.0 %

HOUSE ENROLLED ACT 1229 — Protects consumers from predatory lending. Establishes the homeowner protection unit in the Office of the Attorney General. PASSED. My vote: YES

SENATE JOINT RESOLUTION 7 — Would have begun the process of amending the state constitution to define marriage as the union of one man and one woman. Because it failed in the House, the earliest the provision can now appear on the ballot is 2008. FAILED. My vote: YES

HOUSE ENROLLED ACT 1136 — Establishes a task force that expires June 30, 2007, to review information and develop a long-range plan for combating the abuse and manufacturing of methamphetamine. PASSED. My vote: YES



At a committee meeting, Senator Miller listens to testimony. Miller serves as chairman of the Senate Health and Provider Services Committee and as a member of the Senate Finance, Education, and Environmental Affairs Committees.

Air Force Base, Fort Benjamin Harrison and Crane Naval Surface Warfare Center will spark the local economy.

- Improves rules regarding Community Revitalization Enhancement Districts (CREDs)

Economic Importance: CREDs are important economic development tools for the downtown areas of our cities. Expanding and improving CREDs will further these efforts.

- Allows local governments to assess an annual fee to recipients of tax abatements

Economic Importance: The abatement fee would be used by local economic development boards to help provide more jobs within the area. It would help small rural communities that do not have adequate budgets for economic development.

- Repeals the sales tax on complimentary hotel rooms

Economic Importance: Indiana will be more competitive with other states in attracting tourism and convention business.

We will continue our effort to provide Indiana with the tools needed to improve our economic climate.